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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
:
SEARS HOLDINGS CORPORATION, *et al.*, : Case No. 18-23538 (RDD)
:
: (Jointly Administered)
Debtors. :
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**DECLARATION OF TRAVIS STROUD IN SUPPORT OF OBJECTION
OF GREENHORN VENTURES LLC (STORE #7006) TO SALE AND
ASSIGNMENT OF LEASE AND PROPOSED CURE
AMOUNT PURSUANT TO 11 U.S.C. § 365(b)(1)**

I, Travis Stroud, do state under penalty of perjury that:

1. I am a Manager of Greenhorn Ventures LLC, an Idaho limited liability company (“Owner-Landlord”). I am over the age of 18 and am competent to testify of my own personal knowledge as stated below.

2. Owner-Landlord operates in Idaho and owns the real property and improvements located at 2258 Addison Avenue East, Twin Falls, ID 83303 (“Property”), which Property is currently leased to and occupied by Kmart Corporation (“Debtor-Tenant”) and used to operate a Kmart retail store [Store No. 7006]. The Property was purchased by Owner-Landlord on November 9, 2018.

3. Attached as Exhibits A-1 and A-2 are true and correct copies of the Amended and Restated Lease dated September 1, 1989 (“Lease”) and the Amended and Restated Memorandum

of Lease recorded in the real property records of Twin Falls County, Idaho on January 28, 1993 for and with respect to the Property.

4. Attached as Exhibit B is a true and correct copy of a Mechanics Lien recorded by Kloepfer Inc. in Twin Falls County, Idaho against the Property on December 10, 2018. I had no knowledge of the Mechanics Lien until a copy was received by Owner-Landlord via certified mail in December 2018 after Owner-Landlord purchased the Property on November 9, 2018. I am unaware of any other individual associated with Owner-Landlord who had knowledge of the Mechanics Lien prior to the purchase of the Property.

5. Attached as Exhibits C-1 and C-2 are true and correct copies of the ALTA survey (dated September 17, 2018) of the Property and an enlarged excerpt therefrom detailing the encroachment of the "Expansion" of the Kmart building located on the Property onto the adjoining landowner's property.

6. Regarding the encroachment of the "Expansion" onto the adjoining property, the encroachment was discovered in mid-September 2018 during the due diligence process prior to Owner-Landlord's purchase of the Property. Based upon my investigation, it appears that the encroachment was caused by Kmart and its construction of the "Expansion" as provided in the Lease. Owner-Landlord was unable to find any ongoing dispute or hostility surrounding the encroachment in prior years, as I believe it was unknown until the ALTA survey of the Property was completed. I have spoken to the adjoining landowner, including most recently during December 2018, and have brought the encroachment to the adjoining landowner's representatives' attention, and they stated that the adjoining landowner now wants the encroachment cured and remedied including due to the changes in ownership and the uncertainty of Kmart's continued operation in the future. At this time, I have no bids or estimates for removal or remedy of the

encroachment, as Kmart is responsible for remedying the encroachment.

Pursuant to 28 U.S.C. §1746, I declare, certify, verify, or state under penalty of perjury that the foregoing is true and correct.

Dated: January 25, 2019
Meridian, Idaho

/s/ Travis Stroud

Travis Stroud